

**DEPARTMENT OF WORKFORCE
DEVELOPMENT**

Secretary Jennifer Alexander
201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
FAX: (608) 266-1784



**State of Wisconsin
Governor Scott McCallum**

**DEPARTMENT OF HEALTH AND
FAMILY SERVICES**

Secretary Phyllis Dubé
1 West Wilson Street
P.O. Box 7850
Madison, WI 53707-7850
Telephone: (608) 266-9622
FAX: (608) 266-7882

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

**FROM: Amy Mendel-Clemens
CARES Call Center
Policy & Systems Communications Section**

**SUBJECT: FOOD STAMP MASS CHANGE
MANDATED UTILITY STANDARDS
AND END OF UTILITY PRORATION**

BWP/BIMA OPERATIONS MEMO

No.: 02-54

**File: 2840
2845**

Date: 9/10/2002

Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: High

CROSS REFERENCE: Food Stamp Handbook, Appendix 18 and 16.08.00

EFFECTIVE DATE: October 1, 2002

PURPOSE

This memo provides:

1. Food Stamp (FS) cost of living adjustments (COLA) for federal fiscal year (FFY) 2003,
2. Standard Deductions that will now fluctuate based on AG size,
3. New policy on mandated utility standards, and
4. New policy ending utility proration.

BACKGROUND

Each year, USDA - Food and Nutrition Service (FNS) adjusts the gross and net income limits, the allotment tables, and the excess shelter expense deduction. The utility standard amounts are also adjusted. This year the standard deduction has also been changed to fluctuate based on the size of the FS Assistance Group (AG).

The 2002 Farm Bill allows for elimination of utility proration if mandated utility standards are implemented. In this operations memo we will explain the new policy and procedures for processing utility expenses. This ends "actual" utilities as an option. Actual utility reporting and

shelter proration were difficult for caseworkers to process, recipients to understand, and were historically error prone.

POLICY

FS COLA FOR FEDERAL FISCAL YEAR (FFY) 2003

Reference table changes have been made in CARES, so that ongoing cases will use the new amounts effective October 1, 2002. The mass change will occur on September 7, 2002. The FS mass change will select all FS cases and process eligibility for October using the new reference table changes and standards. Eligibility determinations for FS for October 2002 and after, will have the new amounts used. These amounts are found in CARES table TFST and TFEP. They will be added to Appendix 18 of the FS Handbook appendix in the next release.

Following are changes effective 10/01/02.

Excess Shelter Deduction

The excess shelter deduction will increase from \$354 to \$367.

Income Limit & Allotment Changes

AG Size	165% FPL Gross Income Limit	130% FPL Gross Income Limit	100% FPL Net Income Limit	Maximum Allotment
1	\$ 1219	\$ 960	\$ 739	\$ 139
2	\$ 1642	\$ 1294	\$ 995	\$ 256
3	\$ 2066	\$ 1628	\$ 1252	\$ 366
4	\$ 2489	\$ 1961	\$ 1509	\$ 465
5	\$ 2913	\$ 2295	\$ 1765	\$ 553
6	\$ 3336	\$ 2629	\$ 2022	\$ 663
7	\$ 3760	\$ 2962	\$ 2279	\$ 733
8	\$ 4183	\$ 3296	\$ 2535	\$ 838
9	\$ 4607	\$ 3630	\$ 2792	\$ 943
10	\$ 5031	\$ 3964	\$ 3049	\$ 1048
11	\$ 5455	\$ 4298	\$ 3306	\$ 1153
12	\$ 5879	\$ 4632	\$ 3563	\$ 1258

(AG=Assistance Group FPL=Federal Poverty Level)

FLUCUATING STANDARD DEDUCTION

Effective October 1, 2002, the Standard Deduction will be based on the Assistance Group size:

AG Size	Standard Deduction Amount
1-4	\$134
5	\$147
6 or more	\$168

NOTE ➤ The following deductions will not change:

- Dependent Care - \$200 or \$175 depending on the age of the child.
- Medical Expenses - Expenses over \$35 for elderly or disabled individuals only.

ELIMINATION OF UTILITY PRORATION

Effective 10/01/02 all households with verified utility expenses including heat, electricity, cooking fuel, water and sewer, phone, and/or garbage and trash pick up, will be required to use a standard utility allowance (SUA). This allows us to eliminate utility proration. As long as a Food Unit member (FU) has an obligation to pay or is paying any portion of the utility, the Assistance Group (AG) can receive the full standard. This includes FU members who are not in the FS AG because they are ineligible students, aliens, and/or sanctioned members.

NEW STANDARD UTILITY ALLOWANCES

Standard	Allowance	Definition
HSUA	\$211	Heating
LUA	\$125	No heat, with at least two other qualifying expenses
EUA	\$58	Non-heat electric
FUA	\$7	Cooking fuel used for other than heating, gas, LP, etc.
WUA	\$21	Water, well installation and maintenance, sewer, septic tank installation and maintenance, and/or wastewater treatment
PUA	\$25	Telephone
TUA	\$14	Garbage and trash pick up

HSUA. Any FU that verifies an obligation for a heating expense or receipt of LIHEAP at their current residence in the current or preceding heating season will be entitled to the heating standard utility allowance (HSUA) of \$211.

LUA. Any Food Unit that does not have an obligation for a heating expense that verifies an obligation for at least 2 other qualifying utility expenses will be entitled to the limited utility allowance (LUA) of \$125.

Other Qualifying Utility Expenses include electricity (non-heating), cooking fuel, water and sewer, phone, and garbage and trash pick up. Any Food Unit that verifies an obligation for only one qualifying utility expense will be entitled to the SUA for that expense.

PROCEDURE

Any cases that are run for FS eligibility after September 13, 2002 will have the new SUA policy applied effective October 1. The new policy will be applied the next time eligibility is run, or at the next re-certification (review). Review each case for accuracy when processing with the new policy.

On screen AFUC, a "Y" entered in the "Used For Heating " field for any utility type, will entitle the FS participant to the HSUA. This includes households currently claiming "actual" expenses.

The fields that impose the SUA's are;

- "Utility Type",
- "Used for heating", and
- "Obligation amount."

Example

AFUC UTILITY COSTS 09/09/02 14:16
CASE: WORKER: DWD262 J BRIKOWSKI
LAST UPDATED: 04 22 02 CASE STATUS: OPEN CASE MODE: ONGOING

NUM: 01 NAME: CARI A SMITH SSN: 999 99 9999

UTILITY COST TYPES :

DC: __ BEGIN MMY: 0402 END MMY: ____

SEQ NUM: 003 UTILITY TYPE: EL ELECTRICITY USED FOR HEATING? (Y/N) : Y

OBLIGATION AMOUNT: \$68.00 VR: BI BILLED FOR EXPENSE? (Y/N) : N

PAYMENT AMOUNT: VR: BI

CONTRIBUTES IN AN UNKNOWN AMOUNT? (Y/N): N

UTILITY COST PAID TO: WISCONSIN PUBLIC SERVICE _____ PHONE: ____ ____ ____

ADDRESS: 3300 N MAIN ST _____

CITY: OSHKOSH _____ STATE: WI ZIP: 54901 _____

On AFSQ answer "Y" to any utilities the household indicates they use. Make the appropriate entries on AFUC for all utilities a "Y" was entered for on AFSQ. Indicate on AFUC what type of utility you are entering, whether it is used for heating and either the obligation amount or a "Y" for "contributes in an unknown amount."

NOTE ➤ The "OT" Other field is no longer an option. Do not make entries in this field. Entries made in this field will not effect benefit amounts.

On screen AFTQ, if anyone in the Food Unit receives LIHEAP a "yes" should be entered in the LIHEAP field to impose the HSUA. The field for the second question "Does your HH elect to use the Standard Utility Allowance," will no longer be considered to allow the HSUA.

Participants who indicate they do not pay for heat, but have verified expenses for other utilities (electric, cooking fuel, water, sewer, telephone, and/or trash), will receive the LUA or the assigned standard for that utility.

NOTE ➤ It is important to review the budget screens for accuracy on EFAD when processing these cases with the new utility amounts before confirming on AGECE.

OTHER PROGRAMS

There is no change in the shelter and utility budgeting for MA. Actual shelter and utility costs still need to be obtained from the client and entered into CARES to assure the correct Medicaid eligibility and post eligibility determinations. See the MA Handbook for specific policy.

CONTACTS

BIMA CARES Information & Problem Resolution Center

Email: carpolcc@dwd.state.wi.us
Telephone: (608) 261-6317 (Option #1)
Fax: (608) 266-8358

Note: Email contacts are preferred. Thank you.